

UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA

Federal Housing Finance Agency, in its
capacity as Conservator of Federal National
Mortgage Association and Federal Home
Loan Mortgage Corporation, et al.,

Plaintiffs

v.

Saticoy Bay, LLC, et al,

Defendants

Case No.: 2:16-cv-02242-JAD-BNW

**Order Resolving All Pending Motions,
Directing the Entry of Final Judgment,
and Closing Case**

[ECF Nos. 119, 128, 130, 132,
139, 140, 156, 157]

This eight-year-old case is a remnant of Nevada’s foreclosure crisis in which real estate investors snapped up homes for pennies on the dollar after the owners defaulted on their homeowner-association (HOA) assessments. A unique feature of Nevada law gave HOAs superpriority liens, so when an HOA properly foreclosed on their liens for those unpaid assessments, not only would the homeowners lose their homes, but the lenders too would lose because the deeds of trust securing the mortgages on those properties got extinguished. In the last decade of HOA litigation, however, the courts have recognized several exceptions to extinguishment.

One such exception is the Federal Foreclosure Bar in the Housing and Economic Recovery Act (HERA).¹ When the beneficiary of the foreclosed upon deed of trust is government-sponsored lender Fannie Mae or Freddie Mac,² and those lenders are under the

¹ 12 U.S.C. § 4617(j)(3).

² “Fannie Mae” is the better-known nickname for the Federal National Mortgage Association, and “Freddie Mac” is short for the Federal Home Loan Mortgage Corporation.

1 conservatorship of the Federal Housing Finance Agency (FHFA), as they have been since 2008,
2 the deed of trust is not extinguished and instead survives the foreclosure sale unless the FHFA
3 affirmatively relinquished that security interest.³

4 This case was first filed by the FHFA as conservator for Fannie Mae and Freddie Mac to
5 seek a declaration that the deeds of trust securing the mortgages on 33 homes bought at
6 foreclosure by real-estate investment company Saticoy Bay, LLC and its sub-entities for a
7 fraction of the mortgage balances continue to encumber those properties. After extensive
8 discovery and briefing, I granted that relief in late 2020 and entered summary judgment in favor
9 of the lenders, quieting title on all 33 properties based on the Federal Foreclosure Bar.⁴

10 But title to 32 of those homes was not held by Saticoy Bay, LLC itself but rather by its
11 sub-entities known under Nevada Revised Statute (NRS) 86.286 as “series” LLCs. Single-
12 purpose entities created for each individual property, these series LLCs have names like “Saticoy
13 Bay LLC, Series 108 Boysenberry Lane.” The 2020 quiet-title judgment was entered against the
14 master Saticoy Bay, LLC entity only, and it argued on appeal that this court lacked jurisdiction to
15 grant relief with respect to the individual series LLCs’ properties.⁵ The Ninth Circuit panel
16 certified the question to the Nevada Supreme Court, which answered that a series LLC that
17 observes the statutory formalities must be sued in its own name for a court to obtain jurisdiction
18 over it and its property.⁶ So while the panel affirmed my entry of summary judgment in favor of
19 the lenders on the one property owned by the master LLC, it reversed and remanded for further

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21 ³ *Berezovsky v. Moniz*, 869 F.3d 923, 931 (9th Cir. 2017) (holding that “the Federal Foreclosure
Bar supersedes the Nevada superpriority lien provision”).

22 ⁴ ECF No. 61 (judgment); ECF No. 66 (transcript of motion hearing).

23 ⁵ ECF No. 69 at 2 (Ninth Circuit mem. disposition).

⁶ *Fed. Hous. Fin. Agency v. Saticoy Bay LLC*, 531 P.3d 1232, 1235 (Nev. 2023) (answering
certified question from the Ninth Circuit).

1 proceedings on the remaining homes.⁷ With that new guidance from Nevada’s High Court on
2 the impact and operation of NRS 86.286, the lenders promptly and successfully moved for leave
3 to amend the complaint in this case to add the individual series LLC owners as defendants.⁸

4 So eight years after this case began and four years after I found that the Federal
5 Foreclosure Bar prevented the deeds of trust on these properties from being extinguished at
6 foreclosure, we now return to these issues. The master LLC moves for summary judgment,
7 arguing that it should be released from this case because the Ninth Circuit affirmed this court’s
8 grant of judgment on the one property in this case that it owns and with the series LLCs in the
9 case, it no longer needs to be.⁹ Two of the series LLCs ask for summary judgment in their favor
10 because the loans on their properties have been reconveyed, mooted the claims against them.¹⁰

11 The lenders also move for summary judgment.¹¹ They note that the only thing that’s
12 changed since this court granted judgment on all of these properties in their favor is the pool of
13 defendants, which has widened to include the series LLCs underneath the original, master LLC
14 against whom judgment was entered—and affirmed on appeal. And they argue that the evidence
15 that established without genuine dispute that these properties bought at foreclosure were subject
16 to the deeds of trust securing the lenders’ mortgages still does. But the series LLCs ask the court
17 to reopen discovery, which was completed before this court granted summary judgment back in
18 2020, contending that the lenders’ continued inclusion of the two properties despite
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21 ⁷ ECF No. 69 at 3.

22 ⁸ ECF Nos. 75, 76, 117.

23 ⁹ ECF No. 119.

¹⁰ ECF Nos. 128, 139.

¹¹ ECF No. 130.

1 reconveyances means they can't be trusted.¹² They also move to dismiss the amended
2 complaint, theorizing that adding the series LLCs as defendants more than six years after their
3 respective foreclosure purchases violated the six-year statute of limitations for quiet-title
4 claims.¹³

5 I deny the series LLC defendants' motion to dismiss the claims against them as untimely
6 because they have not established that the statute of limitations accrued more than six years
7 before they were brought into this case. I deny the master LLC's motion to be released from this
8 case because it has not established that the series LLCs have satisfied the statutory requirements
9 for separate treatment. But I find that the reconveyance of the deeds of trust on the Bear Springs
10 and Belmont Lake properties entitles Saticoy Bay and the series LLCs to partial summary
11 judgment in their favor as to those parcels. I then grant the plaintiff lenders' motion for
12 summary judgment on all other properties because the record establishes without genuine dispute
13 that the Federal Foreclosure Bar saved their deeds of trust from extinguishment during the HOA
14 foreclosure sales, and the defendants have not shown that further discovery could change that.
15 Finally, because this order leaves no claims pending, I deny the remaining motions as moot.

16 Analysis

17 **A. The defendants have not established that the claims against the series LLCs** 18 **are untimely [ECF No. 132].**

19 The series LLCs ask this court to dismiss the claims against them or grant summary
20 judgment in their favor because the statute of limitations on quiet-title claims based on the
21 Federal Foreclosure Bar is six years, and they were brought into this case more than six years
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23 ¹² ECF No. 151.

¹³ ECF No. 132.

1 after the foreclosure sales on their respective properties.¹⁴ So they argue that the claims against
2 them are fatally time-barred. But as the lenders argue, this simplistic approach to the accrual of
3 such claims is unsound.

4 All parties agree that the lenders' claims here are governed by the six-year statute of
5 limitations in § 4617(b)(12)(A)(i)(I) of HERA, stated as "the 6-year period beginning on the date
6 on which the claim accrues"¹⁵ The series LLCs contend that these claims accrued at the
7 time of each foreclosure sale, all of which transpired more than six years before the lenders filed
8 their amended complaint on June 24, 2024.¹⁶ For that legal proposition they rely on two cases
9 from 2020: *M&T Bank v. SFR Investments Pool 1, LLC* and *JPMorgan Chase Bank v. SFR*
10 *Investments Pool 1, LLC*.¹⁷

11 But neither case supplies such a rule. Both answered the question—undecided at that
12 point in the evolution of HOA-litigation—of whether quiet-title claims like these are governed
13 by HERA's six-year statute of limitations that applies to contract claims or its three-year
14 deadline for tort claims. Reasoning "that claims seeking to enforce the Federal Foreclosure Bar
15 sound more in contract than in tort,"¹⁸ both the Ninth Circuit Court of Appeals in *M&T Bank* and
16 the Nevada Supreme Court in *JPMorgan Chase Bank* concluded that the six-year statute of
17 limitations applies.¹⁹

20 ¹⁴ *Id.*

21 ¹⁵ 12 U.S.C. § 4617(b)(12)(A)(i)(I).

22 ¹⁶ *Id.* at 6.

22 ¹⁷ *Id.*

23 ¹⁸ *JPMorgan Chase Bank v. SFR Invs. Pool 1, LLC*, 475 P.3d 52, 56 (Nev. 2020).

¹⁹ *Id.*; *M&T Bank v. SFR Invs. Pool 1, LLC*, 963 F.3d 854, 859 (9th Cir. 2020).

1 Although both courts found that the lenders' suits were timely because they were filed
2 within six years of the foreclosure sales, neither addressed the question of when such a quiet-title
3 claim accrues for purposes of triggering the statutory period.²⁰ That question was not answered
4 until 2022 in *U.S. Bank v. Thunder Properties, Inc.*, when the Nevada Supreme Court held that
5 "the limitations period does not begin to run until the lienholder receives notice of some
6 affirmative action by the titleholder to repudiate the lien or that is otherwise inconsistent with the
7 lien's continued existence."²¹ The Court reasoned that the statute of limitations should not run
8 against a lienholder until it has something closely analogous to 'notice of disturbed possession,'
9 such as repudiation of the lien."²² So "[t]he HOA foreclosure sale, standing alone, is not
10 sufficient to trigger the period. . . . To rise to the level that would trigger the limitations period,
11 something more is required."²³

12 The series LLCs argue that *Thunder Properties* has no application here because that
13 quiet-title claim was brought by a private lender, not Fannie Mae or Freddie Mac, so it did not
14 involve the Federal Foreclosure Bar.²⁴ While it is true that the Court in *Thunder Properties*
15 evaluated accrual of these HOA-foreclosure quiet-title claims in the context of Nevada's four-
16 year catchall limitations period, nothing about that statute distinguishes it from HERA's six-year
17 one in a way that would counsel a different accrual rule.²⁵ Both limiting statutes apply generally
18 and to a broad swath of claims. And because § 4617(b)(12)(A)(i)(I) dictates that its six-year

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20 ²⁰ See *JPMorgan Chase*, 475 P.3d at 57; *M&T Bank*, 963 F.3d at 859.

21 ²¹ *U.S. Bank, N.A. v. Thunder Properties, Inc.*, 503 P.3d 299, 306 (Nev. 2022) (answering
22 certified question from the Ninth Circuit on case originating from the District of Nevada).

23 ²² *Id.*

24 ²³ *Id.* at 306–07.

25 ²⁴ ECF No. 132 at 8, ECF No. 154 at 6.

²⁵ Compare Nev. Rev. Stat. § 11.220 with 12 U.S.C. § 4617(b)(12)(A)(i).

1 period “begin[s] on the date on which the claim accrues,” and here “the claim” is one that the
 2 Nevada Supreme Court has held requires “something more” than the foreclosure sale to accrue, I
 3 find that § 4617(b)(12)(A)(i)(I)’s six-year limitations period for the lenders’ claim against the
 4 series LLC defendants did not begin to run until “something more” like “repudiation of the lien”
 5 occurred, not merely the HOA foreclosure sales. The earliest possible act of repudiation in this
 6 record would be the master LLC’s filing of its answer in this case on July 5, 2019, denying many
 7 of the lenders’ allegations.²⁶ Because the amended complaint naming the series LLCs was filed
 8 less than six years later on June 25, 2024,²⁷ the claims against these newly added defendants are
 9 timely.²⁸ So I deny the motion to dismiss these claims as time-barred.

10 **B. The series LLCs that own the properties on which the lenders have reconveyed**
 11 **deeds of trust are entitled to summary judgment in their favor [ECF Nos. 128, 139].**

12 Over the long life of this case, the mortgages on a handful of these properties have been
 13 paid off and the related deeds of trust have been reconveyed. This development has mooted the
 14 claim as to those properties, as the plaintiffs recognize.²⁹ In fact, the plaintiffs have recorded
 15 releases of the lis pendens on those properties and filed corresponding notices of the releases in
 16 this case.³⁰ So the series LLCs that hold title to two such properties move for summary

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 19 ²⁶ See ECF No. 20.

20 ²⁷ ECF No. 118 (first-amended complaint).

21 ²⁸ Because I find the claims timely based on this accrual theory, I need not and do not reach the
 22 question of whether the filing of the amended complaint relates back to the original.

23 ²⁹ Because there was already a final judgment with respect to the Rushing Creek property, this is
 not true for that claim. See *infra* at n. 69.

³⁰ ECF Nos. 149–150 (notices of release of lis pendens). The plaintiffs concede in their motion
 for summary judgment that they “no longer have an interest in” these properties. ECF No. 130 at
 n.2.

judgment in their favor, releasing them from this case.³¹ Because this undisputed record demonstrates that the plaintiffs no longer have a security interest in 5738 Bear Springs Street or 11489 Belmont Lake 106, there is no longer a case or controversy over those parcels or against the single-property series LLCs that hold title to them. So I grant partial summary judgment in favor of Saticoy Bay, LLC Series 5738 Bear Springs Street and Saticoy Bay, LLC Series 11489 Belmont Lake 106 as to all claims against them, and also in favor of the master LLC as to these two properties only.

C. The master LLC is not entitled to complete summary judgment in its favor or dismissal from this suit.

In a separate motion for summary judgment, the master LLC asks this court to dismiss it from this case because the Ninth Circuit affirmed this court's grant of summary judgment on the only property in this case that it holds title to—372 Rushing Creek Court—leaving no reason for it to stay in this case.³² The lenders oppose the motion, arguing that it has not been established that the master LLC is not a proper defendant with respect to the remaining properties. They offer two reasons for this: (1) the master LLC is the alter ego of each of the individual series LLCs and the defendants; and (2) when answering the certified question in this case, the Nevada Supreme Court held that a series LLC must be sued in its own name, not the name of the master LLC, “provided [that] the series LLC has observed the corporate formalities provided for in NRS 86.296(3),”³³ and the defendants have not even attempted to show that the series LLCs observed those statutory formalities.³⁴

³¹ ECF Nos. 128, 139.

³² ECF No. 119.

³³ *FHFA*, 531 P.3d at 1235.

³⁴ ECF No. 123.

1 The plaintiffs have not shown that the master LLC is an alter ego of any of these series
2 LLCs. They offer little more than conclusory statements about the relationship between all of
3 the defendant entities, pointing out that it was made clear in various other cases that one person,
4 Iyad Haddad, is at the center of all Saticoy Bay entities as their owner and manager.³⁵ But these
5 inferences fall far short of establishing without genuine dispute that the master LLC is the alter
6 ego of any one of the individual series LLCs in this case under NRS 86.376, which provides that
7 “[a] person acts as the alter ego of a limited-liability company only if: (a) the limited-liability
8 company is influenced and governed by the person; (b) there is such unity of interest and
9 ownership that the limited-liability company and the person are inseparable from each other; and
10 (c) adherence to the notion of the limited-liability company being an entity separate from the
11 person would sanction fraud or promote manifest injustice.”³⁶

12 But nor have the defendants established that any of the series LLCs observed the
13 statutory formalities such that the court cannot obtain jurisdiction over them through the master
14 LLC. The Nevada Supreme Court explained in *A Cab, LLC v. Murray* that “series entities under
15 the umbrella of a series LLC either exist or not based on their compliance with NRS 86.296.”³⁷
16 This is typically shown through “the operating agreement or articles of organization and through
17 the practice of separate and distinct record-keeping and accounting.”³⁸ The defendants offer
18 none of this; the only evidence that the master LLC offers in support of this motion is the
19 reconveyance of the lien on the Rushing Creek Court property.³⁹ So Saticoy Bay, LLC has not

21 ³⁵ *Id.* at 10.

22 ³⁶ Nev. Rev. Stat. § 86.376(2).

23 ³⁷ *A Cab, LLC v. Murray*, 501 P.3d 961, 978 (Nev. 2021) (cleaned up).

³⁸ *Id.* at 977.

³⁹ ECF No. 119-1.

1 met its burden to show that it should be dismissed from this suit, and its motion for summary
2 judgment is thus denied.

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4 **D. The lenders are entitled to summary judgment in their favor on the remaining
properties because the Federal Foreclosure Bar saved the deeds of trust from
extinguishment [ECF No. 130].**

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6 **1. The Federal Foreclosure Bar prevents Freddie Mac and Fannie Mae
deeds of trust from being extinguished without the FHFA's consent.**

7 Nevada law holds that a properly conducted nonjudicial foreclosure sale by a
8 homeowners' association to enforce a superpriority lien extinguishes the first deed of trust.⁴⁰
9 But when that deed of trust belongs to Freddie Mac or Fannie Mae, and the foreclosure sale
10 occurs while that lender is under the conservatorship of the FHFA and without that agency's
11 consent, federal law shields that security interest from extinguishment. That shield, found at 12
12 U.S.C. § 4617(j)(3) of HERA, is known as the Federal Foreclosure Bar, and its impact in
13 Nevada HOA-foreclosure cases has been well established since 2017 when the Ninth Circuit
14 held in *Berezovsky v. Moniz* that "the Federal Foreclosure Bar supersedes the Nevada
15 superpriority lien provision."⁴¹

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21 ⁴⁰ Nev. Rev. Stat. § 116.3116; *SFR Invs. Pool 1 v. U.S. Bank* ("SFR P"), 334 P.3d 408, 409 (Nev.
22 2014).

23 ⁴¹ See *Berezovsky v. Moniz*, 869 F.3d 923, 931 (9th Cir. 2017) (holding that "the Federal
Foreclosure Bar supersedes the Nevada superpriority lien provision," preventing a non-judicial
foreclosure sale under NRS Chapter 116 from extinguishing a Freddie Mac deed of trust while
this lender is under the FHFA's conservatorship).

1 **2. *The plaintiffs have established without material dispute that the Federal***
2 ***Foreclosure Bar prevented the deeds of trust on the remaining properties from***
3 ***being extinguished in the HOA foreclosure sales.***

4 All of the remaining properties in this case were the subject of HOA foreclosures from
5 2012–2016.⁴² The FHFA, Freddie Mac, and Fannie Mae bring this quiet-title action,⁴³ seeking a
6 determination that the Federal Foreclosure Bar prevented the deeds of trust of which they are the
7 beneficiaries from being extinguished through those foreclosures. Four years ago I found that
8 the plaintiffs had established on summary judgment that the Federal Foreclosure Bar prevented
9 their deeds of trust on all of these properties from extinguishment.⁴⁴ I found no genuine dispute
10 “that the deeds of trust belonged to Fannie and Freddie at the time of the foreclosure sale” or
11 summary judgment, and that any challenge to the ownership of those security interests was
12 “mere speculation or metaphysical doubt,” that the Nevada Supreme Court and Ninth Circuit had
13 affirmed judgments on near-identical records in other cases, and that there was no “legitimate
14 dispute that these agencies did not consent to wiping out Fannie and Freddie’s deeds of trust
15 through these foreclosures.”⁴⁵ The Ninth Circuit affirmed my ruling as to the one property for
16 which the master LLC was the titleholder,⁴⁶ but it reversed “with respect to the other properties
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18 ⁴² See ECF No. 132 at 7–8.

19 ⁴³ Although the plaintiffs frame their amended complaint with two claims labeled “Declaratory
20 Relief” and “Quiet Title,” they are redundant because both seek a determination that the Federal
21 Foreclosure Bar prevented the lenders’ deeds of trust from being extinguished in the HOA
22 foreclosure sales, so the liens continue to encumber these properties. Compare ECF No. 118
23 ¶¶ 102–103 with ECF No. 118 ¶¶ 109–111. So I construe these claims as a single quiet-title
claim that seeks a declaratory judgment.

⁴⁴ ECF No. 66 at 26–29 (transcript of 2020 summary-judgment hearing).

⁴⁵ *Id.* at 26–28.

⁴⁶ ECF No. 69 at 3.

1 owned by the series LLCs” and remanded “for whatever further proceedings” [this court
2 deemed] appropriate” for those properties.⁴⁷

3 With nothing material having changed except the pool of defendants, the lenders renew
4 their request for summary judgment on those remaining properties.⁴⁸ They do so with essentially
5 the same evidence on which I granted summary judgment last time.⁴⁹ Viewed in the light most
6 favorable to the non-movants,⁵⁰ this evidence still establishes for each of the remaining 30
7 properties that the plaintiff lenders are entitled to a declaration that the first deeds of trust on
8 these properties survived the HOA foreclosures based on the Federal Foreclosure Bar.⁵¹

9 The business records of Fannie Mae and Freddie Mac (authenticated by declarants Felicia
10 Miller⁵² and Dean Meyer⁵³), along with the property records⁵⁴ of which this court may—and
11 does—take judicial notice, show without genuine dispute that these government-sponsored
12 lenders were the beneficial owners of the deeds of trust for these properties at all relevant times.
13 This is the same type and caliber of evidence that the Ninth Circuit and Nevada Supreme Court
14 found to establish these lenders’ interest in seminal cases like *Berezovsky*⁵⁵ and *Daisy Trust v.*

16 ⁴⁷ *Id.*

17 ⁴⁸ ECF No. 130.

18 ⁴⁹ *Id.* at 6–7; ECF No. 130-2 (charts summarizing the evidence that is attached to the lenders’
19 motion for summary judgment).

20 ⁵⁰ *Kaiser Cement Corp. v. Fishbach & Moore, Inc.*, 793 F.2d 1100, 1103 (9th Cir. 1986).

21 ⁵¹ *See Celotex Corp. v. Catrett*, 477 U.S. 317, 330 (1986) (citing Fed R. Civ. P. 56(c)) (summary
22 judgment is appropriate when the pleadings and admissible evidence “show there is no genuine
23 issue as to any material fact and that the movant is entitled to judgment as a matter of law.”).

24 ⁵² ECF No. 130-3 (Decl. of Felicia Miller).

25 ⁵³ ECF No. 130-8 (Decl. of Dean Meyer).

26 ⁵⁴ ECF Nos. 130-14–130-32 (real property records).

27 ⁵⁵ *Berezovsky v. Moniz*, 869 F.3d 923, 932 (9th Cir. 2017).

1 *Wells Fargo Bank*,⁵⁶ and I find it similarly sufficient here. It is also the very same type of
 2 evidence on which the Ninth Circuit panel affirmed my grant of summary judgment against the
 3 master LLC on 372 Rushing Creek Court.⁵⁷ And there is no evidence in the record that the
 4 FHFA gave its consent to wiping out these lenders' interests through the HOA foreclosures on
 5 any of these properties. So under the now well-established law of this circuit and Nevada, the
 6 Federal Foreclosure Bar prevented these deeds of trust from extinguishment as a matter of law.⁵⁸

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 8 **3. *The defendants' FRCP 56(d) request to reopen discovery does not compel
 the denial of summary judgment or a delay of the court's decision.***

9 The defendants did not file a substantive opposition to the merits of plaintiffs' motion for
 10 summary judgment; they filed only a motion for discovery under FRCP 56(d). That rule allows
 11 the court to defer or deny a motion for summary judgment if the "nonmovant shows by affidavit
 12 or declaration that, for specified reasons, it cannot present facts essential to justify its
 13 opposition."⁵⁹ The series LLC defendants offer two central arguments under Rule 56(d): (1)
 14 they haven't been given the opportunity to conduct discovery since they were brought into this
 15 case by the amended complaint earlier this year; and (2) the fact that the plaintiffs included in the
 16 amended complaint two properties on which the deeds of trust have been satisfied and
 17 reconveyed means they can't "be trusted," so the defendants should get the chance to "conduct

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 21 ⁵⁶ *Daisy Trust v. Wells Fargo Bank, N.A.*, 445 P.3d 846, 850 (Nev. 2019).

22 ⁵⁷ See ECF No. 69 at 3 ("We affirm the judgment with respect to 372 Rushing Creek Court, owned by Saticoy.").

23 ⁵⁸ See *Fed. Nat'l Mortg. Ass'n v. Casa Mesa Villas Homeowners Ass'n*, 839 F. App'x 45, 48 (9th Cir. 2020) (referring to these rules as "[c]lear precedent").

⁵⁹ Fed. R. Civ. P. 56(d).

1 discovery to determine whether the plaintiffs are seeking judgment against any additional
2 properties in which they lack an interest.”⁶⁰

3 Although discovery was not reopened after the plaintiffs amended the complaint to add
4 the series LLCs, these newly added defendants have not shown that it was necessary to do so.
5 The vast majority of the documents on which summary judgment is merited are public real
6 property records equally accessible to both sides. Moreover, all of the documents obtained in the
7 pre-amendment discovery process⁶¹ are available to the newly added series LLC defendants
8 because they are represented by the master LLC’s lawyers at Roger P. Croteau & Associates,
9 Ltd., who have represented the master LLC since it first appeared in this case in 2019.⁶² So the
10 series LLCs’ claim that they lack any information regarding the loans and deeds of trust⁶³ is just
11 false.

12 Nor does the fact that the deeds of trust on some of the properties have been satisfied and
13 reconveyed justify further discovery. The parties in the best position to know whether these
14 mortgages have been paid off are the titleholder-defendants, as it is unlikely that any of these
15 liens have been satisfied by a stranger to the title. If the liens were satisfied, it’s likely because
16 the series LLCs that own them paid off the mortgages, like the master LLC did for the Rushing
17 Creek Court property.⁶⁴ Plus, any reconveyances would likely be recorded and thus matters of
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19 ⁶⁰ ECF No. 140 at 6 (cleaned up).

20 ⁶¹ Discovery had been ongoing before summary judgment was granted in 2020. *See, e.g.*, ECF
21 No. 23 (discovery plan/scheduling order); ECF No. 26 (motion to compel discovery responses);
22 ECF No. 29 (response to motion to compel).

23 ⁶² *See* ECF No. 20 (Saticoy Bay, LLC’s answer).

⁶³ ECF No. 140 at 7.

⁶⁴ *See* ECF No. 119 at 3 (wherein the master LLC states, “Saticoy Bay, LLC has caused the first
deed of trust recorded against the Rushing Creek Court Property to be fully satisfied and
released.”).

1 public record available without the need for discovery given that NRS 107.077 requires the
 2 public recordation of a reconveyance within 45 days after a deed-of-trust-secured debt is paid
 3 off.⁶⁵ So the defendants have not satisfied Rule 56(d) by identifying facts that require further
 4 discovery before they can fairly present them in opposition to the lenders' motion for summary
 5 judgment.

6 Mostly the defendants theorize that the lenders' inclusion of properties on which
 7 reconveyances were recorded makes the lenders generally "not trustworthy," in turn making all
 8 of their evidence on summary judgment untrustworthy.⁶⁶ But they don't identify any of the
 9 lenders' summary-judgment exhibits that are specifically suspect, offering instead just their
 10 blanket distrust.⁶⁷ As the Ninth Circuit held in *Berezovsky* when rejecting an identical challenge,
 11 the titleholder "must have shown more than 'metaphysical doubt as to the material facts,'" and
 12 the defendants here have not done so.⁶⁸ So I deny the Rule 56(d) motion for discovery and enter
 13 summary judgment in favor of the lenders on the remaining 30 properties.

16 ⁶⁵ Nev. Rev. Stat. § 107.077(2).

17 ⁶⁶ ECF No. 140 at 9–10.

18 ⁶⁷ The Saticoy Bay master LLC offered the same challenge in the last round of summary
 19 judgment. That challenge was rejected—and summary judgment was affirmed by the Ninth
 20 Circuit as to the master LLC on the very same type and caliber of evidence. *See* ECF No. 38 at
 21 14 ("The fact that the Plaintiffs have in the past erroneously made false allegations of ownership
 22 and/or the applicability of the Federal Foreclosure Bar related to other real property at the time of
 23 a HOA foreclosure sale indicates at best that their business records are not infallible. It is for this
 reason that discovery is necessary in this matter. The Defendant cannot be expected to simply
 accept the Plaintiffs' claims at face value without any opportunity to investigate."); ECF No. 66
 at 28 ("I find that any argument that Saticoy raises about the ownership of these interests is mere
 speculation or metaphysical doubt that creates no genuine issue of fact . . ."); ECF No. 69 at 3
 (affirming the judgment on the Rushing Creek Court property "owned by Saticoy").

⁶⁸ *Berezovsky*, 869 F.3d at 933 (quoting *Matsushita Elec. Indus. Co. v. Zenith Radio Corp.*, 475
 U.S. 574, 586 (1986)).

Conclusion

IT IS THEREFORE ORDERED that:

- The Series LLC Defendants' motion to dismiss or for summary judgment [ECF No. 132] is **DENIED**;
- Saticoy Bay, LLC's motion for summary judgment [ECF No. 119] is **DENIED**;
- The motions for summary judgment with respect to 11489 Belmont Lake 106 and 5738 Bear Springs Street [ECF Nos. 128, 139] are **GRANTED**. With good cause appearing and no reason to delay, **IT IS ORDERED that the Clerk of Court is directed to ENTER Partial Final Judgment in favor of defendants Saticoy Bay, LLC; Saticoy Bay, LLC Series 11489 Belmont Lake 106; and Saticoy Bay, LLC Series 5738 Bear Springs Street as to the plaintiffs' claims on the properties located at 11489 Belmont Lake 106 and 5738 Bear Springs Street only**;
- Defendants' motion for discovery under FRCP 56(d) [ECF No. 140] is **DENIED** and the plaintiffs' motion for summary judgment [ECF No. 130] is **GRANTED**. **The Clerk of Court is directed to ENTER FINAL JUDGMENT** in favor of the plaintiffs **DECLARING** that because the Federal Foreclosure Bar at 12 U.S.C. § 4617(j)(3) prevented the extinguishment of the deeds of trust on the 30 remaining properties⁶⁹ listed in Exhibit A to this order during their respective HOA foreclosure sales, plaintiffs are entitled to a declaration that the deeds of trust on those properties survived the foreclosure sales, and the foreclosure-sale

⁶⁹ The Rushing Creek Court property was the subject of final judgment previously and that judgment was affirmed on appeal. ECF Nos. 61, 69. So it is not included in this order a second time.

1 purchasers acquired the properties listed in Exhibit A subject to those deeds of
2 trust and **CLOSE THIS CASE**; and

- 3 • Because this order resolves all pending claims, IT IS FURTHER ORDERED that
4 the Stipulated Discovery Plan and Scheduling Order and Motion to Stay
5 Discovery [ECF Nos. 156, 157] are **DENIED** without prejudice as moot.

6 Dated: December 23, 2024

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8 U.S. District Judge Jennifer A. Dorsey
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EXHIBIT A

	Property Address	APN	Foreclosure-sale purchaser
1	108 Boysenberry Lane Henderson, NV	177-13-215-042	Saticoy Bay LLC, Series 108 Boysenberry Lane
2	1109 Storke Lane Las Vegas, NV	138-30-614-013	Saticoy Bay LLC, Series 1109 Storke Lane
3	1120 Observation Drive, Unit 101 Las Vegas, NV	138-28-615-013	Saticoy Bay LLC Series 1120 Observation
4	11478 Ogden Mills Drive, Unit 104 Las Vegas, NV	164-02-224-144	Saticoy Bay LLC Series 11478 Ogden Mills
5	1489 Silver Sunset Drive Henderson, NV	191-02-718-068	Saticoy Bay LLC Series 1489 Silver Sunset
6	188 Almond Ridge Place Henderson, NV	179-17-116-030	Saticoy Bay LLC Series 188 Almond Ridge
7	2301 Shady Hill Avenue Las Vegas, NV	139-20-715-026	Saticoy Bay LLC Series 2301 Shady Hill
8	25 Newburg Avenue Las Vegas, NV	139-03-710-052	Saticoy Bay LLC Series 25 Newburg
9	3546 Alcudia Bay Avenue Las Vegas, NV	191-05-114-030	Saticoy Bay LLC Series 3546 Alcudia Bay
10	4736 Nara Vista Way, Unit 104 Las Vegas, NV	163-23-411-047	Saticoy Bay LLC Series 4736 Nara Vista Way # 104
11	4738 Mountain Valley Road Las Vegas, NV	162-24-810-057	Saticoy Bay LLC Series 4738 Mountain Valley
12	4946 Mozart Drive Las Vegas, NV	163-12-817-052	Saticoy Bay LLC Series 4946 Mozart
13	5751 East Hacienda Avenue, Unit 190, Las Vegas, NV	161-28-712-174	Saticoy Bay LLC Series 5751 East Hacienda
14	6425 Winter Moon Street North Las Vegas, NV	124-22-414-055	Saticoy Bay LLC Series 6425 Winter Moon
15	677 Principle Point Avenue Henderson, NV	178-23-615-085	Saticoy Bay LLC Series 677 Principle Point
16	7413 West Russell Road, Unit 107 Las Vegas, NV	163-34-113-013	Saticoy Bay LLC Series 7413 West Russell
17	9178 Sleeping Tree Street Las Vegas, NV	177-22-618-039	Saticoy Bay LLC Series 9178 Sleeping Tree
18	1104 Pinto Rock Lane, Unit 201 Las Vegas, NV	138-28-511-007	Saticoy Bay LLC Series 1104 Pinto Rock
19	1915 Winter Hill Street Las Vegas, NV	139-20-715-081	Saticoy Bay LLC Series 1915 Winter Hill St
20	3421 Rose Valley Street North Las Vegas, NV	139-09-314-055	Saticoy Bay LLC Series 3421 Rose Valley
21	1541 Mount Noble Court Henderson, NV	178-16-712-050	Saticoy Bay LLC Series 1541 Mount Noble
22	200 Hoover Avenue Unit 1910 Las Vegas, NV	139-34-412-140	Saticoy Bay LLC Series 200 Hoover

EXHIBIT A

23	2121 Blue Breeze Drive, Unit 102 Las Vegas, NV	138-21-613-251	Saticoy Bay LLC Series 2121 Blue Breeze
24	4801 Fiesta Lakes Street Las Vegas, NV	125-36-812-033	Saticoy Bay LLC Series 4801 Fiesta Lakes
25	6701 Cobre Azul Avenue, Unit 102 Las Vegas, NV	138-10-614-106	Saticoy Bay LLC Series 6701 Cobre Azul
26	1401 Linnbaker Lane, Unit 103 Las Vegas, NV	140-30-519-029	Saticoy Bay LLC Series 1401 Linnbaker
27	2604 Golden Sands Drive Las Vegas, NV	138-16-713-037	Saticoy Bay LLC Series 2604 Golden Sands
28	5032 Whistling Acres Avenue Las Vegas, NV	125-12-611-014	Saticoy Bay LLC Series 5032 Whistling Acres
29	7720 Secret Shore Drive, Unit 206 Las Vegas, NV	138-21-613-467	Saticoy Bay LLC Series 7720 Secret Shore
30	8304 Broad Peak Drive Las Vegas, NV	125-10-310-085	Saticoy Bay LLC Series 8304 Broad Peak